

CUSTOMS ACT, 1962

BUDGET ANALYSIS 2024-25

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CUSTOMS ACT 1962:

Section	Existing	Amendment	Bizsol Analysis
Section 28 DA	<p>(2) The fact that the importer has submitted a certificate of origin issued by an Issuing Authority shall not absolve the importer of the responsibility to exercise reasonable care.</p> <p>(10) Notwithstanding anything contained in this section, the preferential tariff treatment may be refused without verification in the following circumstances, namely:-</p> <p>(i) the tariff item is not eligible for preferential tariff treatment;</p> <p>(ii) complete description of goods is not contained in the certificate of origin;</p> <p>(iii) any alteration in the certificate of origin is not authenticated by the Issuing Authority;</p> <p>(iv) the certificate of origin is produced after the period of its expiry, and in all such cases, the certificate of origin shall be marked as "INAPPLICABLE".</p> <p>(a)"certificate of origin" means a certificate issued in accordance with a trade agreement certifying that the goods fulfil the country of origin criteria and other</p>	<p>(2) The fact that the importer has submitted a Proof of origin issued by an Issuing Authority shall not absolve the importer of the responsibility to exercise reasonable care.</p> <p>(10) Notwithstanding anything contained in this section, the preferential tariff treatment may be refused without verification in the following circumstances, namely:-</p> <p>(i) the tariff item is not eligible for preferential tariff treatment;</p> <p>(ii) complete description of goods is not contained in the Proof of origin;</p> <p>(iii) any alteration in the Proof of origin is not authenticated by the Issuing Authority;</p> <p>(iv) the Proof of origin is produced after the period of its expiry, and in all such cases, the Proof of origin shall be marked as "INAPPLICABLE".</p> <p>(a) "proof of origin" means a Proof or declaration issued in accordance with a trade agreement certifying or declaring, as the case may be, that the goods fulfil the country of origin criteria</p>	<p>The term (certificate) is replaced with Proof. It means evidence and onus of correct evidence lie with importer / exporter.</p> <p>In accordance with the new trade agreements which provide for self-certification, the word proof of origin is aligned in the section.</p> <p>Certificate of Origin Rules now will be know as proof of Origin Rules. It is expected that new Rules will be notified.</p>

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	<p>requirements specified in the said agreement;</p> <p>(c)"Issuing Authority" means any authority designated for the purposes of issuing certificate of origin under a trade agreement;</p>	<p>and other requirements specified in the said agreement;'</p> <p>'(c) "Issuing Authority" means an authority or person designated for the purposes of issuing proof of origin under a trade agreement;'</p>	
Section 65		<p>in sub-section (1), the following proviso shall be inserted, namely:— "Provided that the Central Government may, if satisfied that it is necessary in the public interest so to do, by notification in the Official Gazette, specify the manufacturing processes and other operations in relation to a class of goods that shall not be permitted in a warehouse."</p>	<p>The proviso is inserted so as to restrict certain process in relations to certain class of goods to be carried out in the warehouse.</p>
Section 143AA & Section 157	<p>Section 143AA. Power to simplify or provide different procedure, etc., to facilitate trade.-</p> <p>Notwithstanding anything contained in any other provision of this Act, the Board may, for the purposes of facilitation of trade, take such measures or prescribe separate procedure or documentation for a class of importers or exporters or for categories of goods or on the basis of the modes of transport of goods, in order to,-</p> <p>Section 157. General power to make regulations. -</p>	<p>Section 143AA. Power to simplify or provide different procedure, etc., to facilitate trade.-</p> <p>Notwithstanding anything contained in any other provision of this Act, the Board may, for the purposes of facilitation of trade, take such measures or prescribe separate procedure or documentation for a class of importers or exporters or any other person or for categories of goods or on the basis of the modes of transport of goods, in order to,-</p>	<p>The Scope has been enhance so as to include any person who is connected / related with import/ export procedures.</p>

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	<p>(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely :-</p> <p>(m) the measures and separate procedure or documentation for a class of importers or exporters or any other person or categories of goods or on the basis of the modes of transport of goods.</p>	<p>Section 157. General power to make regulations. -</p> <p>(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely :-</p> <p>(m) the measures and separate procedure or documentation for a class of importers or exporters or any other person or categories of goods or on the basis of the modes of transport of goods.</p>	

1. Finance Act, 2024 vide section 104 given Retrospective effect to Notification No. 27/2024-Customs dated 12.07.2024 i.e. provide exemption from Compensation Cess leviable on imports by SEZ unit or developer for authorised operations.
2. Finance Act, 2024 vide section 105 given Retrospective effect to Notification No. 37/2023-Customs dated 10.05.2023 i.e. exemption from Agriculture Infrastructure and Development Cess (AIDC) to Crude Soya-bean oil, whether or not degummed & Crude Sunflower seed oil.

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CUSTOMS TARIFF ACT, 1975

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CUSTOMS TARIFF ACT 1975:

1. Section 6 is being omitted on account of winding up of Tariff Commission

2. The First Schedule to the Customs Tariff Act, 1975 is being amended to,-
 - (i) increase the rates on certain tariff items. (The duty rate is effective from 24.7.2024 by virtue of declaration under Provisional Collection of Taxes Act 2023)

 - (ii) create new tariff lines in respect of defence products, technical textiles, sustainable blended aviation fuel, products used in Indian semiconductor machines, e-bicycles, natural menthol, printer cartridge etc. These changes shall come into effect from 1.10.2024.

Refer detailed analysis on Tariff / Effective Duty Rate Changes enclosed separately.

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